



Citizens Fidelity Bank & Trust Company

CITIZENS PLAZA • LOUISVILLE, KENTUCKY 40298

12966

RECORDATION NO. _____ Filed 1425

FFB 27 1981 -1 52 PM

INTERSTATE COMMERCE COMMISSION

February 25, 1981

Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Date 2/27/81
Fee \$50.00 me

ICC Washington, D.C.

Dear Sir:

Attached is the original and enclosed are two additional executed counterparts of a Mortgage and Security Agreement, dated February 26, 1981, relating, in part, to certain railroad rolling stock as listed below, made between the following parties:

TITLE

NAME AND ADDRESS

Mortgagor:

Kentucky and Tennessee Railway
Stearns, Kentucky 42647

Mortgagee:

Citizens Fidelity Bank & Trust Co.
d/b/a Citizens Fidelity Energy Co.
Citizens Plaza
Louisville, Kentucky 40296

Shareholder:

King-Tindle-Singleton, Inc.
P.O. Box 368
Stearns, KY 42647

The equipment covered by the above-referenced K&T Mortgage and Security Agreement is described as follows:

- (a) One Model 539 diesel locomotive manufactured in 1943 by American Locomotive Company ("ALCO") with serial number 70184 and Kentucky and Tennessee Railway number 101, with former Road No. D & RGW 110.
- (b) One Model 539 diesel locomotive manufactured in 1944 by ALCO with serial number 72051 and Kentucky and Tennessee Railway number 102, with former Road No. D & RGW 118.

Overhead - Donna Kelly

Secretary
Interstate Commerce Commission
February 26, 1981
Page 2

- (c) One Model 539 diesel locomotive, manufactured in 1944 by ALCO, with serial number 72052 and Kentucky and Tennessee Railway number 103, with former Road No. D & RGW 119.
- (d) One Model 539 diesel locomotive manufactured in 1949 by ALCO, with serial number 77816 and Kentucky and Tennessee Railway number 104, with former Road No. D & H 3028.

I respectfully request that the original of this document be recorded under the provisions of 49 U.S.C.A. Section 11 303 (1979).

I would also appreciate your receipting one of the counterparts by both date stamp and letter and returning it, along with the original, to Citizens Fidelity Bank and Trust Company (Mortgagee) at the above address. The undersigned certifies that he is an officer of the Mortgagee and that he has knowledge of the matter set forth in the enclosed K&T Mortgage and Security Agreement.

Very truly yours,


C. Tabb Hazelrigg, Jr.
Vice President

Interstate Commerce Commission
Washington, D.C. 20423

2/27/81

OFFICE OF THE SECRETARY

C. Tabb Hazelrigg, Jr.

Vice President

Citizens Fidelity Bank & Trust Co.

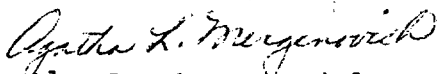
Citizens Plaza

Louisville, Kentucky 40296

Dear **Sir:**

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on **2/27/81** at **1:50pm**, and assigned re-recording number(s). **12966**

Sincerely yours,


Agatha L. Mergenovich
Secretary

Enclosure(s)

12966
RECORDATION NO. _____ Filed 1425

FFB 27 1981 -1 50 PM
INTERSTATE COMMERCE COMMISSION

K&T MORTGAGE AND SECURITY AGREEMENT

Real Property, Rights-of-Way, Rolling Stock,
Improvements, Inventory, Accounts Receivable, Contract
Rights, Documents, General Intangibles, Chattel Paper,
Instruments, Leases, Equipment, Machinery,
Fixtures and Goods

THIS MORTGAGE AND SECURITY AGREEMENT is made and entered into this 26th day of February, 1981, by and between (i) KENTUCKY AND TENNESSEE RAILWAY (K&T), a Kentucky corporation (hereinafter referred to as the "Debtor"), (ii) KING-TINDLE-SINGLETON, INC. ("Shareholder"), a Kentucky corporation which owns, or after the date hereof will own, all of the issued and outstanding stock of Debtor and (iii) CITIZENS FIDELITY BANK AND TRUST COMPANY d/b/a CITIZENS FIDELITY ENERGY COMPANY (hereinafter called "Bank"), a Kentucky banking corporation, with its principal place of business at Citizens Plaza, Louisville, Jefferson County, Kentucky 40296.

IT IS AGREED BY THE PARTIES AS FOLLOWS:

1. Collateral. For value received, Debtor hereby sells, assigns and transfers in fee simple the following described real and personal property to Bank, to-wit:

(a) All of the real estate owned by the Debtor where ever situated, including, but not limited to, the real estate located in McCreary County, Kentucky, more particularly described by Exhibit "A" attached hereto and incorporated herein by reference (which real property is sometimes herein-after referred to as the "Premises"); together with all the Debtor's interest in lands, minerals, mining and other rights in such real estate and easements, rights-of-way, licenses, privileges and appurtenances thereunto belonging, and all rents, revenues, issues and profits therefrom; together with all buildings, structures and improvements now or hereafter erected on the Premises and all fixtures, machinery and apparatus of every kind and nature whatsoever, now or hereafter affixed to the Premises.

(b) The leases and agreements more particularly described in Exhibit "B" attached hereto and incorporated herein by reference (which documents are referred to hereinafter as the "Leases").

(c) All existing and future "Accounts" of Debtor, as defined in the Uniform Commercial Code of Kentucky, and all Debtor's existing and future accounts receivable, and also including, but not in any way limited to (i) all rights

of Debtor to payment for goods sold or leased or services rendered, and all other sums whatsoever owed to Debtor, now existing, hereafter accruing or arising and whenever and wherever acquired or arising, whether or not evidenced by a note or other instruments, and including all goods or inventory in transit and/or returned to, or repossessed by, Debtor and all claims against common carriers for goods and inventory lost in transit, (ii) all premiums paid by Debtor for insurance and the refunds or right to refund of any of the same, whether or not covering any of the Collateral, and (iii) all proceeds payable under insurance policies covering any or all of the Collateral (all of the property and rights listed above are collectively referred to herein as the "Accounts Receivable").

(d) All of Debtor's "Inventory," being defined as all goods, merchandise, raw materials, and other kinds and types of tangible personal property held for sale or lease, now in existence or hereafter acquired or produced (this property being referred to hereinafter as "Inventory"); and

(e) All of Debtor's contract rights, chattel paper, leases, instruments and documents now in existence or hereafter acquired, including, without being limited to, those listed on Exhibit "C" attached hereto and made a part hereof, (collectively referred to herein as the "Contracts"); and

(f) All of Debtor's equipment, machinery and fixtures of all types, now in existence or hereafter acquired and wherever situated and including, but not limited to, those specified on Exhibit "D" attached hereto and made a part hereof; and

(g) All of Debtor's cash and general intangibles;
and

(h) All of Debtor's other real property, improvements, goods and personal property not included within the enumeration set forth above in subparagraphs (a) through (g);
and

(i) The proceeds and products of all the foregoing; to secure the indebtedness of Debtor referred to in the following §2 hereof. The real and personal property described in paragraphs (b) through (h) above, inclusive, is sometimes collectively referred to herein as the "Collateral".

2. Purpose. This Mortgage and Security Agreement is made as collateral security for (a) a Promissory Note of even date herewith in the original, face principal amount of One Million Two Hundred Fifty Thousand Dollars (\$1,250,000.00) made by Debtor, the Shareholder and Railum, Inc. ("Railum") and Lumber King, Inc. ("Lumber King"), both Kentucky corporations (Railum is the sole shareholder of the Shareholder and Lumber

King) payable to the order of Bank (which note is referred to hereinafter as "Term Note A"), (b) a Promissory Note of even date herewith in the original, face principal amount of Four Hundred Thousand Dollars (\$400,000.00) made by Debtor, the Shareholder, Railum and Lumber King, payable to the order of Bank (which note is referred to hereinafter as "Term Note B"), (c) a Promissory Note of even date herewith in the original, face principal amount of One Million Dollars (\$1,000,000.00) made by Debtor, the Shareholder, Railum and Lumber King, payable to the order of Bank (which note is referred to hereinafter individually as the "Line of Credit Note" and together with Term Note A and Term Note B is referred to as the "Notes") and (d) all other liabilities and obligations of whatever kind of Debtor and/or the Shareholder, and/or Railum and/or Lumber King to the Bank, whether created directly or acquired by Bank by assignment or otherwise, whether now existing, or hereafter created, arising or acquired, absolute or contingent, joint or several, due or to become due, and including (but not limited to) future advances.

DOK
EJ.
cm

3. Warranties. Debtor represents and warrants to Bank that:

(a) The Debtor is well seized of the Premises, in fee simple, and has good right and full power to grant, bargain, sell, convey, mortgage and warrant the same. The Premises are free from all liens and encumbrances whatsoever, excepting only the Leases, the lien of ad valorem taxes not yet due and payable, easements and leases of public record and properly indexed, and restrictions and zoning laws affecting said property, if any. The Debtor warrants and will defend the said Premises, with the privileges and appurtenances thereunto belonging, to the Bank, its successors and assigns, forever against all claims and demands whatsoever adverse to the interest of the Bank, at the Debtor's sole expense.

(b) The Leases are in full force and effect, and no event of default or default, and no event or condition which, with the giving of notice or passage of time or both, would constitute a default or event of default, exists under the Leases.

(c) Debtor is the owner of the Collateral free of all liens, security interests and other encumbrances as of the date hereof, except the security interest granted hereby.

(d) Debtor has the right to enter into this Mortgage and Security Agreement.

(e) The Collateral is used or will be used primarily for business purposes, and all the collateral shall be located at Debtor's railway operations in McCreary County, Kentucky,

and at Debtor's office in Stearns, McCreary County, Kentucky, which office is: (i) the location where all the records concerning the Accounts Receivable and Contracts shall be located, while the Notes remain unpaid, (ii) Debtor's residence and principal office and place of business, and (iii) Debtor's registered office for the receipt of legal process. Any other locations where any substantial portion of the Collateral has been located, Debtor has maintained a place of business or where any accounting or other records have been located, or where Debtor has maintained its registered office for its registered agent for service of process, at any time during the five (5) years prior to the date hereof are listed on Exhibit E attached hereto and made a part hereof.

(f) The schedules of Debtor's real property attached hereto as Exhibit A and of Debtor's equipment, machinery and fixtures attached hereto as Exhibit D are accurate and complete in all respects and do not omit any material item of such nature possessed by Debtor.

4. Affirmative Covenants. Debtor agrees with Bank that Debtor:

(a) Will defend the Collateral against the claims and demands of all persons.

(b) Will insure the Premises and the Collateral, for the benefit of the Bank (to whom loss shall be payable) in such amounts, in such companies, and against such risks and with only such deductible(s) and co-insurance provisions as may be satisfactory to the Bank, in its sole discretion, from time to time. If Debtor fails to obtain such insurance, the Bank shall have the right to obtain same at Debtor's expense, which shall bear interest at the default rate specified in Term Note A and shall be due on demand of Bank and shall nevertheless constitute a default hereunder. Debtor hereby assigns to the Bank all rights to receive the proceeds of such insurance not exceeding the unpaid balance of all liabilities and obligations of whatever kind of Debtor to the Bank, directs any insurer to pay all proceeds of such insurance directly to the Bank, without further authorization, and authorizes the Bank as Debtor's irrevocable attorney-in-fact, to (i) compromise, settle and/or receipt for, on behalf of Debtor, any and all claims under all such insurance and (ii) obtain such proceeds and endorse and negotiate any draft for such proceeds and apply the same to the liabilities and obligations secured hereunder. Debtor shall deliver the original or a certificate of all of such insurance policies to the Bank, with the Bank named as an insured pursuant to a standard lender's endorsement, naming the Bank as loss-payee, with full waiver of subrogation against any insured or loss-payee, and which shall provide that (i) same may not be cancelled or

modified except after thirty (30) days' prior written notice from the insurance company to the Bank, and (ii) no act or default of Debtor or any other person shall affect the right of Bank to recover under such policies of insurance in case of loss or damage. The Debtor shall deliver to Bank proof of renewals and payments of premiums therefor for all such policies at least thirty (30) days in advance of the expiration of any such policy or due-date of the premiums therefor, as the case may be. Debtor hereby authorizes Bank, as Debtor's irrevocable attorney-in-fact to cancel any such insurance policy upon the occurrence of an "Event of Default" as defined in the Loan Agreement, or any default in or breach of any representation or warranty by Debtor under the provisions of this Security Agreement, and to obtain and receive a refund of the unearned insurance premium(s) from any policies maintained by or for Debtor, which shall be applied against the liabilities and obligations of Debtor secured hereby.

(c) Will, at all times, at its own expense, carry and maintain or cause to be carried and maintained public liability insurance, naming the Bank as an additional named insured, at least in amounts and against risks customarily insured against by railroad companies similarly situated.

(d) Will keep the Premises and the Collateral in good condition and repair, and will permit Bank and its agents to inspect the Collateral and the books and records of Debtor at any time and from time to time.

(e) Will mark each locomotive forming a part of the Collateral appropriately to show the Debtor's ownership, with its assigned reporting mark and number in accordance with the rules and regulations of the American Association of Railroads (A.A.R.), and the Debtor will maintain and cause such locomotives to be always so marked while this instrument remains in effect and will not, during such period, cause or allow such locomotives to be marked so as to indicate ownership in any other party or to be renumbered without the prior written consent of the Bank, nor will the Debtor allow any of such locomotives to be marked so as to indicate a lien thereon allegedly held by any party other than the Bank.

(f) Will promptly notify the Bank in writing in the event any of the locomotives forming a part of the Collateral are substantially damaged or destroyed as a result of any accident, calamity or other occurrence, and will assign and pay to the Bank any compensation as a result of such damage or destruction of such locomotives received under the American Association of Railroads Mechanical Interchange Rules, under any insurance policy or otherwise.

(g) Will not permit any part of the Collateral or any of the records concerning same to be removed from the locations referred to above in Paragraph 3(e) hereof and will not move or change its principal place of business or its registered office for its registered agent without Bank's prior written consent.

(h) Will advise the Bank in writing, at least thirty (30) days prior thereto, of any change in Debtor's place of business or the opening of any new place of business or any change in Debtor's name or the adoption by it of a trade name, assumed name or fictitious name and will execute and deliver to the Bank (or the Bank may execute and deliver the same as Debtor's irrevocable attorney-in-fact) new UCC-1 Financing Statements describing the same Collateral specified herein for recordation where necessary or appropriate as determined in Bank's sole discretion to perfect and/or continue perfected the Bank's security interest in the Collateral based upon such new place(s) of business and/or change in or adoption of name, and Debtor will pay all filing and recording fees and filing and recording taxes in connection with the filing and/or recordation of such Financing Statements.

(i) Will pay the Notes and all other indebtedness of the Debtor to Bank in accordance with their respective terms.

(j) Will comply in all respects with the Notes and with all of the instruments securing the Notes and with the Loan Agreement (the "Loan Agreement") of even date herewith pertaining thereto.

(k) Will send to Bank by the last day of each calendar month after the date hereof (i) a complete detailed list of all of its account debtors and the amount for which they are individually indebted to Debtor and the terms of payment thereof, as of the last day of the immediately preceding month, and (ii) a composite list of the Inventory, as of the last day of the immediately preceding month, in form and substance satisfactory to Bank.

(l) Will, in using the equipment, machinery and fixtures constituting a part of the Collateral, comply with all applicable federal, state and local statutes, laws, rules and regulations.

(m) Will pay all ad valorem property taxes which constitute or may constitute a lien against the Premises or against any of the Collateral, prior to the date when penalties or interest would attach to such taxes.

(n) Will, at all times, keep, observe and perform all of the terms, covenants and conditions of the Leases upon the part of the landlord thereunder to be kept, observed and performed and shall do all things necessary to keep unimpaired the Debtor's rights in and to the Leases and the Premises. Upon the occurrence of any default by any tenants (the "Tenants") under any of the Leases, the Debtor will take every reasonable step to enforce its rights and remedies under such Lease.

5. Negative Covenants. Debtor agrees with the Bank that it will not:

(a) Permit any liens or security interest, other than Bank's security interest granted herein, the encumbrances referenced in Paragraph 3(c) above and the lien of ad valorem property taxes not yet due and payable, to attach to any part of the Premises or any of the Collateral.

(b) Permit any part of the Premises or any of the Collateral to be levied upon under any legal process;

(c) Dispose of any part of the Premises or any of the Collateral without the prior written consent of Bank, other than selling Inventory and collecting Accounts Receivable, all in the ordinary course of business;

(d) Permit anything to be done that may impair the value of any part of the Premises or any of the Collateral or the security intended to be afforded by this Mortgage and Security Agreement;

(e) Permit any of the Collateral to become an accession or improvement to other goods in which Bank does not hold a security interest;

(f) Waive, compromise or discount any Accounts Receivable, without the prior written approval of the Bank, except for ordinary trade discounts and allowances for payment within thirty (30) days of the date of invoice or billing;

(g) Modify, amend, supplement or voluntarily terminate any of the Leases without having first obtained the written consent of the Bank, or in any way release any of the Tenants under any of the Leases of or from the obligations, covenants, conditions and agreements by said Tenants to be done and performed;

(h) Allow any mechanic's materialmen's or other lien to be filed or asserted against the Premises or any part thereof if it shall fail to cure and remove such mechanic's, materialmen's or other lien from the record within fifteen

(15) days after the Bank has sent the Debtor written notice requiring such cure and removal.

6. Further Assurances. The Debtor agrees that from time to time, at the expense of the Debtor, the Debtor will promptly execute and deliver all further instruments and documents, and take all further action that may be necessary or desirable, in the sole discretion of Bank, or that the Bank may request, in order to perfect and protect the mortgage and security interests granted or purported to be granted hereby or to enable the Bank to exercise and enforce its rights and remedies hereunder with respect to the Premises or the Collateral or any part thereof. Without limiting the generality of the foregoing, the Debtor will execute and file such financing or continuation statements, or amendments thereto, and such other instruments or notices, as may be necessary or desirable, or as the Bank may request, in its sole discretion, in order to perfect and preserve the mortgage and security interest granted or purported to be granted hereby.

7. Bank as Attorney in Fact. Debtor hereby irrevocably appoints Bank as Debtor's attorney-in-fact to do all acts and things which Bank may deem necessary or appropriate to perfect and continue perfected the mortgage and security interests created by this Mortgage and Security Agreement and to protect the Premises and the Collateral, including (but not limited to) the execution in Debtor's name as its attorney-in-fact of UCC-1 and other Financing Statements covering the Collateral and recordation of same wherever Bank deems appropriate.

8. Accounts Receivable. Bank shall have the right to notify account debtors obligated on any or all of Debtor's Accounts Receivable to make payments thereof directly to Bank, and to take control of all proceeds of any such Accounts Receivable, which rights Bank may exercise at any time and from time to time, whether or not Debtor is then in default hereunder or under the Note or Debtor was theretofor making collections thereon. Until such time as Bank elects to exercise such rights, by giving Debtor written notice thereof, Debtor is authorized, as Bank's agent, to collect and enforce said Accounts Receivable. The costs of such collection and enforcement, including attorneys' fees and out-of-pocket expenses, shall be borne solely by Debtor, whether the same are incurred by Bank or Debtor in the collection of such Accounts Receivable. To facilitate direct collection of such Accounts Receivable, Debtor hereby grants Bank the right and authorizes Bank to take over Debtor's post office boxes or to make other arrangements suitable to Bank so that it may receive Debtor's mail and further grants Bank the right to open all Debtor's mail as Debtor's attorney-in-fact.

Debtor shall execute promptly and deliver to Bank all instruments necessary or appropriate to further the Bank's exercise of the rights and powers granted it in this Paragraph 8 or to further perfect any lien granted by this Security Agreement. *ERJ: JDR*

9. Promissory Notes, Etc. If any of Debtor's Accounts Receivable shall be evidenced by promissory notes, trade acceptances, chattel paper or other instruments for the payment of money, Debtor will immediately deliver the same to Bank, appropriately endorsed to Bank's order and also authorizes Bank to endorse same on Debtor's behalf as Debtor's attorney-in-fact and, regardless of the form of such endorsement, Debtor hereby waives presentment, demand, notice of dishonor, protest and notice of protest and all other notices with respect thereto.

10. Records. The Debtor will at all times keep accurate and complete records of the transactions with respect to the Inventory, Accounts Receivable and Contracts, and the Bank, or any of its agents, shall have the right to call at the Borrower's place or places of business at intervals to be determined by the Bank, and to inspect, audit, and make extracts from the books, records, and other data relating to said Inventory, Accounts Receivable and Contracts or to any other transactions between the parties thereto.

11. Condemnation. In the event any proceedings shall be instituted (or threatened) to condemn the Premises or any part thereof, or take the same for public use under the power of eminent domain, the Debtor shall immediately give written notice thereof to the Bank. All proceeds from any such condemnation or taking shall be paid directly to the Bank and applied first to the payment of the Bank's expenses and costs in connection with such proceedings, including appraisers' and attorneys' fees (to the extent allowed by law), and then to the payment or reduction of the Notes hereby secured or to the restoration or repair of such improvements as may be damaged or destroyed as a result of such proceedings, as the Bank and the Debtor jointly determine.

12. Protecting Accounts Receivable. Unless the Bank notifies the Debtor in writing that it dispenses with any one or more of the following requirements, the Debtor will:

(a) Inform the Bank immediately of delay in performance, or claims made in regard to any of the Accounts Receivable and/or Contracts; and

(b) Make no change or concession in or waiver of its Accounts Receivable.

13. Remedies With Respect to Collateral. Upon the occurrence of any Event of Default under the Notes, the Loan Agreement or the other instruments securing the Notes, or any default in or breach of any representation, warranty or agreement by Debtor under the terms and provisions of this Mortgage and Security Agreement, the Bank shall have all rights and remedies, in and against the Collateral and otherwise, available under the laws of the Commonwealth of Kentucky (or such other state where any part of the Collateral may be located, if applicable) and all other applicable laws and all rights provided herein, in the Notes and in all other instruments securing the Notes and/or other liabilities or obligations of Debtor to Bank, or in any other applicable security or loan agreement, all of which rights and remedies shall, to the full extent permitted by law, be cumulative. In addition, Bank may require Debtor, at Debtor's expense, to assemble the Collateral and make it available to Bank at the place or places to be designated by Bank, which is or are reasonably convenient to Bank and Debtor. At Bank's sole option and without any liability to Debtor, Bank may make or have made any of Debtor's equipment, machinery and fixtures inoperable. Following an Event of Default and the Bank dispossessing Debtor from its real property pursuant to this Mortgage and Security Agreement, the Bank shall also have the right to use and operate any and all of the Debtor's equipment, machinery, fixtures and other Collateral for the purpose of generating profits for the payment of the indebtedness hereby secured, and Bank may engage lessees and sublessees, and assignees of any of Debtor's property, for such purpose, providing that Bank will account to Debtor for all revenues and profits from such actions. The Bank shall have the right to sell the Collateral at public or private sale. Debtor will pay, as part of the indebtedness hereby secured, all amounts, including (but not limited to) Bank's attorneys', accountants' and appraisers' fees, with interest thereon at the rate provided in Term Note A for overdue installments, paid by Bank (i) for taxes, levies, insurance, repairs to, or maintenance of, the Collateral, and (ii) in taking possession of, disposing of, or preserving the Collateral. The requirement of reasonable notice of the time and place of disposition of Collateral by Bank shall be conclusively met if such notice is mailed, postage prepaid, to Debtor's address specified in §16 hereof at least ten (10) days before the time of the sale or disposition. Bank may bid upon and purchase any or all of the Collateral at any public sale thereof, free from any right of redemption of Debtor. Bank may dispose of all or any part of the Collateral at one or more times and from time to time and in one or more lots or parcels, and upon such terms and conditions, including a credit sale, as it determines in its sole discretion. The Bank shall apply the net proceeds of any such disposition of the Collateral or any part thereof, after deducting all costs incurred in connection therewith, or incidental to the holding, preparing

for sale, in whole or in part, of the Collateral, including Bank's attorneys', accountants' and appraisers' fees, first to the Notes and then in such order as Bank may elect to the other liabilities and obligations of Debtor secured hereunder, and any remaining proceeds shall be paid to Debtor or other party entitled thereto. To the extent permitted by law, Debtor waives all rights of redemption in or with respect to the Collateral.

14. Remedies With Respect to Real Property. Upon the occurrence of any Event of Default under the Notes, the Loan Agreement or the other instruments securing the Notes, or any default in or breach of any representation, warranty or agreement by Debtor under the terms and provisions of this Mortgage and Security Agreement, the Bank shall have, in addition to any other right or remedy which the Bank may now or hereafter have, at law or in equity, and not by way of limitation, the right and power to exercise any or all, or any combination of, the following remedies:

(a) To declare the entire unpaid principal balance of, and all interest on, the Notes and all other indebtedness secured hereby to be due and payable immediately and to proceed to enforce the collection of such indebtedness and all charges and costs permitted by law, including attorneys' fees;

(b) To foreclose upon this Mortgage and Security Agreement and the lien hereof;

(c) To sell the Premises according to law as an entirety or in separate parcels;

(d) To apply without notice (same being hereby expressly waived by the Debtor) for the appointment of a receiver to collect the revenues and profits of said Premises and to preserve the Premises as security hereunder as a matter of right, either before or after any foreclosure sale, without regard to the value of said Premises as security for the amount due the Bank; the revenues, issues and profits of the Premises, in any such event, having heretofore been assigned to the Bank as additional security for the payment of the indebtedness under paragraph 2 hereof;

(e) To enter upon and take possession of the said Premises, without application to any court and with the irrevocable consent of the Debtor as evidenced by the execution of this Mortgage and Security Agreement, and to collect the revenues, issues and profits thereof; and without the appointment of any receiver or application being made therefor, to manage, promote and/or operate the said Premises, either in the Debtor's name or the Bank's name, by whatever means the Bank may elect, and to receive all revenues, issues and profits therefrom

and to apply the same, after payment of all charges and expenses deemed by the Bank to be necessary, to the indebtedness hereby secured.

All the foregoing rights and powers are effective and may be enforced by the Bank, either in conjunction with or without any action to foreclose this Mortgage and Security Agreement, and without applying at any time for a receiver for the said Premises. Failure of the Bank to exercise any of its options or remedies provided for herein or by law or equity in the event of the occurrence of an Event of Default or a violation of any of the warranties, covenants and agreements herein contained by the Debtor shall not constitute a waiver of the Bank's right to exercise such options or remedies.

15. Future Advances, Etc. This Mortgage and Security Agreement secures all future advances that may be made at any time by Bank to Debtor; provided however, that the maximum additional indebtedness secured hereby shall not exceed One Million Dollars (\$1,000,000.00). There is included within the term "Collateral", as used herein, all other property and all interests therein of any kind acquired by Debtor at any time after the date hereof meeting or falling within the general description of the Collateral set forth herein and also the proceeds and products thereof.

16. Governing Law. The laws of the Commonwealth of Kentucky shall govern the construction of this Mortgage and Security Agreement and the rights, remedies and duties of the parties hereto, unless the laws of the state where the Collateral or part thereof is situated dictate that the laws of such other state shall govern.

17. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Mortgage and Security Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

18. Notices. All notices, elections, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been given at the time delivered or deposited in the United States mails, certified or registered and postage prepaid, addressed to the parties as follows (or to such other person or place of which any party hereto shall have given written notice to the other):

If to the Bank: Citizens Fidelity Bank and
Trust Company
Citizens Plaza
Louisville, Kentucky 40296

Attention: C. Tabb Hazelrigg, Jr.
c/o Citizens Fidelity Energy
Company

With copy to: D. Duane Cook and
Edward B. Weinberg
Greenebaum Doll & McDonald
3300 First National Tower
Louisville, Kentucky 40202

If to the Debtor: Kentucky and Tennessee Railway
Stearns, Kentucky 42647

Attention: Evan R. Tindle

If to Shareholder: King-Tindle-Singleton, Inc.
P. O. Box 368
Stearns, Kentucky 42647

19. I.C.C. Filing Consent. The Debtor consents to the filing of this Mortgage and Security Agreement with the Interstate Commerce Commission in order to perfect the Bank's lien on the Collateral under the provisions of 49 U.S.C.A. §11303 (1979) (formerly Section 20c of the Interstate Commerce Act). The Debtor shall pay and reimburse the Bank for all fees and charges incurred or necessary for such filing and recording.

20. Shareholder. The Shareholder hereby accepts and ratifies this Mortgage and Security Agreement and agrees to fully comply with the same and to cause the Debtor at all times to fully comply herewith. It is contemplated that the Debtor will be merged into the Shareholder at some future date. The Shareholder agrees that the property acquired from the Debtor by way of such merger shall remain subject to the lien of this instrument and that after such merger the Shareholder and all of the Collateral shall remain bound by the terms of this Agreement as if the Shareholder had owned the Collateral as of the date hereof and had executed this Agreement as the "Debtor."

21. Maturity Date. The maturity date of the last to mature of the Notes is March 15, 1987; however, Term Note

B and the Line of Credit Note are renewable under certain circumstances.

22. Release of Mortgage and Security Interest. If the Debtor shall pay to the Bank all sums due the Bank under the Notes and the interest thereon, in the manner and at the times mentioned in said Notes, together with any and all other sums due from the Debtor to the Bank under this Mortgage and Security Agreement, or otherwise, and shall fully keep and perform the terms, covenants, conditions and agreements under this Mortgage and Security Agreement, or otherwise due the Bank, then this Mortgage and Security Agreement, and the estate and security interests granted hereby shall cease and be void, and said Mortgage and Security Agreement shall thereupon be released by the Bank at the cost and expense of the Debtor.

23. Miscellaneous.

(a) This Mortgage and Security Agreement shall be binding upon the Debtor and the Shareholder and their respective successors and assigns and shall inure to the benefit of Bank and its successors and assigns.

(b) Time shall be of the essence in the performance of all Debtor's obligations under this Mortgage and Security Agreement.

(c) The several captions, headings, sections and subsections of this Agreement are inserted for convenience only and shall be ignored in interpreting the provisions of this Agreement.

(d) This Agreement may be modified only by written agreement executed by Bank and Debtor.

(e) If any provision in this Mortgage and Security Agreement is in conflict with any provisions of the Loan Agreement, the provisions of the Loan Agreement shall control.

IN TESTIMONY WHEREOF, witness the signatures of the parties hereto, the day, month and year first above written.

KENTUCKY AND TENNESSEE RAILWAY

By: Erwin R. Jones

Title: President

("Debtor")

KING-TINDLE-SINGLETON, INC.

By: D. Dwayne King

Title: PRESIDENT

("Shareholder")

CITIZENS FIDELITY BANK AND
TRUST COMPANY d/b/a CITIZENS
FIDELITY ENERGY COMPANY

By: C. Tabb Hazelrigg, Jr.
C. Tabb Hazelrigg, Jr.
Vice President

("Bank")

Commonwealth of Kentucky)
County of Jefferson) SS:

Before me, the undersigned authority, on this 26th day of February, 1981, personally appeared Evan R. Tindle, President of Kentucky and Tennessee Railway, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the free act and deed of said railway.

IN TESTIMONY WHEREOF, witness my hand and notarial seal.

Susan M. Hutchins
Notary Public

My commission expires: April 27, 1982

Commonwealth of Kentucky)
County of Jefferson) SS:

Before, me the undersigned authority, on this 26th day of February, 1981, personally appeared D. Dwayne King,

EXHIBIT A

(K&T Real Property and Right-of-Way)

Attached to that certain K&T Mortgage and Security Agreement and to financing statements executed on or around February 26, 1981, by and between the Kentucky and Tennessee Railway and Citizens Fidelity Bank and Trust Company d/b/a Citizens Fidelity Energy Company, and others:

A railroad extending from a connection with the Cincinnati, New Orleans and Texas Pacific Railroad, at Stearns, McCreary County, Kentucky in a westerly direction down and along Coopers Branch to its intersection with Paunch Creek and then still in a westerly direction down and along said Paunch Creek to its intersection with the Big South Fork of Cumberland River a distance of four and three-quarter miles. Thence in a northerly direction down and along said Big South Fork of Cumberland River a distance of three miles to the mouth of Rock Creek. Thence in a westerly direction up and along said Rock Creek to railroad survey station 605+00 located opposite the mouth of White Oak Creek a distance of three and seventy-one hundredth miles in all eleven and forty-six hundredth miles.

A branch line of the Kentucky and Tennessee Railway extending from its connection with the main line at main line survey station 601+70 at White Oak Junction in a westerly direction up and along White Oak Creek to railroad survey station 675+00 located at Cooperative a distance of one and thirty-nine hundredth miles.

Together with all rights-of-way along the line of this railroad and branch line. (The right-of-way is 100 feet along most of the track.)

SOURCE OF TITLE: A deed from Stearns Coal & Lumber Company to the Kentucky and Tennessee Railway dated January 29, 1903 and recorded in Deed Book 39, page

340 in the Whitley County Court Clerk's Office; a deed from Stearns Coal and Lumber Company to the Kentucky and Tennessee Railway dated September 5, 1925 and recorded in Deed Book 16, page 620 in the McCreary County Court Clerk's Office; a deed from Rock Creek Coal & Lumber Company by A. J. Cress, Commissioner to the Kentucky and Tennessee Railway dated September 19, 1905 and recorded in Commissioner's Book 2, page 514 in the Wayne County Court Clerk's Office; a deed from J. H. Keeney and Timothy Cockhill by Sallie E. Sandusky, Commissioner to the Kentucky and Tennessee Railway, dated March 25, 1907 and recorded in Commissioner's Book 2, page 598 in the Wayne County Court Clerk's Office; a deed from John Foster and Sarah Foster, his wife to the Kentucky and Tennessee Railway dated August 18, 1906 and recorded in Deed Book 40, page 170 in the Wayne County Court Clerk's Office and a deed from Stearns Coal & Lumber Company to the Kentucky and Tennessee Railway dated September 9, 1925 and recorded in Deed Book 18, page 16 in the McCreary County Court Clerk's Office.

EXHIBIT B
(K&T Leases and Agreements)

Attached to that certain K&T Mortgage and Security Agreement and to financing statements executed on or around February 26, 1981, by and between the Kentucky and Tennessee Railway and Citizens Fidelity Bank and Trust Company d/b/a Citizens Fidelity Energy Company, and others:

NONE LISTED

EXHIBIT C
(K&T Contract Rights, Chattel Paper, Etc.)

Attached to that certain K&T Mortgage and Security Agreement and to financing statements executed on or around February 26, 1981, by and between the Kentucky and Tennessee Railway and Citizens Fidelity Bank and Trust Company d/b/a Citizens Fidelity Energy Company, and others:

[None Listed]

EXHIBIT D
(K&T Equipment, Machinery, etc.)

Attached to a certain K&T Mortgage and Security Agreement and to financing statements executed on or around February 26, 1981, by and between the Kentucky and Tennessee Railway and Citizens Fidelity Bank and Trust Company d/b/a Citizens Fidelity Energy Company and others.

- (a) One diesel locomotive manufactured in 1943 by American Locomotive Company ("ALCO") with serial number 70184 and Kentucky and Tennessee Railway number 101.
- (b) One diesel locomotive manufactured in 1944 by ALCO with serial number 72051 and Kentucky and Tennessee Railway number 102.
- (c) One diesel locomotive manufactured in 1944 by ALCO, with serial number 72052 and Kentucky and Tennessee Railway number 103.
- (d) One diesel locomotive manufactured in 1949 by ALCO, with serial number 77816 and Kentucky and Tennessee Railway number 104.
- (e) One 1962 Jeep Pickup Truck, model 150 IH Tract 90 Loader with serial number L150-P7687.
- (f) One Chevy Truck model number CCE66, serial number CC967EV134172, with hydraulic rail equipment, side dumps, and Husky Brute ditching apparatus.

CERTIFICATE OF TITLE AND REGISTRATION
COMMONWEALTH OF KENTUCKY

3696735-A

REGISTRATION TYPE Renewal		PREVIOUS REG. NO. DH6 093	CERTIFICATE EXPIRES April 1, 1981		NO. DH6 093
VEHICLE TYPE Truck		PREVIOUS DECAL NO. 6422567	PREVIOUS OWNER		CURRENT DECAL NO. 8439526
1 OWNER (Last Name) (First) (Initial) K & T. Railway Co		PREVIOUS STATE - TITLE NO.		MODEL NO. F140	MAKE OF VEHICLE Ford
2 OWNER (Last Name) (First) (Initial)		MOTORCYCLE ENGINE NO.		NO. OF CYLINDERS	IDENTIFICATION (SERIAL) NUMBER F14HUDE5254
OWNER'S ADDRESS (Street and House No.)		TRUCK GROSS WT. 6,000	ODOMETER READ		COLOR Blk/Silver
CITY (Post Office) (State) (Zip Code) Stearns, Ky		EXEMPTION CERTIFICATE AND AFFIDAVIT OF VEHICLE USE KRS 186.050			
OWNER'S SIGNATURE		<input type="checkbox"/> FARM TRUCK <input type="checkbox"/> HOUSE CAR <input type="checkbox"/> LOG TRUCK <input type="checkbox"/> CHURCH BUS <input type="checkbox"/> WRECKER		<input type="checkbox"/> URBAN LIMITS <input type="checkbox"/> COAL TRUCK <input type="checkbox"/> CONCRETE TRUCK <input type="checkbox"/> SCHOOL BUS <input type="checkbox"/> VEHICLE CARRIER	
LIENHOLDER NAME		LIENHOLDER NAME		USAGE TAX	
LIENHOLDER'S STREET ADDRESS		LIENHOLDER'S STREET ADDRESS		TAXABLE VALUE \$	
CITY STATE ZIP CODE		CITY STATE ZIP CODE		5% TAX \$	
DATE FILED		DATE FILED		REGISTRATION FEE	
COUNTY		COUNTY		STATE FEE \$ 11.50	
FILE NO.		FILE NO.		CLERK'S FEE \$ 1.00	
DATE RELEASED		DATE RELEASED		TOTAL FEES \$ 12.50	
SIGNATURE		SIGNATURE		DATE OF REGISTRATION 03-31-80	
SEAL		SEAL			
SPECIAL REMARKS		DEPARTMENT OF TRANSPORTATION TD96-181 REV. 7-79		COUNTY CLERK'S SIGNATURE <i>Lester King</i>	
				DEP. CLERK'S SEAL MCCREARY COUNTY	

OWNER COPY

CERTIFICATE OF TITLE AND REGISTRATION
COMMONWEALTH OF KENTUCKY

3696744-A

REGISTRATION TYPE Renewal		PREVIOUS REG. NO. T37 105	CERTIFICATE EXPIRES April 1, 1981		CURRENT REGISTRATION NO. T10 694
VEHICLE TYPE Truck Trailer		PREVIOUS DECAL NO.	PREVIOUS OWNER		CURRENT DECAL NO.
1 OWNER (Last Name) (First) (Initial) Kentucky & Tennessee Railway		PREVIOUS STATE - TITLE NO.		MODEL NO. W15	MAKE OF VEHICLE Phelan
2 OWNER (Last Name) (First) (Initial)		MOTORCYCLE ENGINE NO.		NO. OF CYLINDERS	IDENTIFICATION (SERIAL) NUMBER 5746
OWNER'S ADDRESS (Street and House No.)		TRUCK GROSS WT.	ODOMETER READ		COLOR
CITY (Post Office) (State) (Zip Code) Stearns, KY		EXEMPTION CERTIFICATE AND AFFIDAVIT OF VEHICLE USE KRS 186.050			
OWNER'S SIGNATURE		<input type="checkbox"/> FARM TRUCK <input type="checkbox"/> HOUSE CAR <input type="checkbox"/> LOG TRUCK <input type="checkbox"/> CHURCH BUS <input type="checkbox"/> WRECKER		<input type="checkbox"/> URBAN LIMITS <input type="checkbox"/> COAL TRUCK <input type="checkbox"/> CONCRETE TRUCK <input type="checkbox"/> SCHOOL BUS <input type="checkbox"/> VEHICLE CARRIER	
LIENHOLDER NAME		LIENHOLDER NAME		USAGE TAX	
LIENHOLDER'S STREET ADDRESS		LIENHOLDER'S STREET ADDRESS		TAXABLE VALUE \$	
CITY STATE ZIP CODE		CITY STATE ZIP CODE		5% TAX \$	
DATE FILED		DATE FILED		REGISTRATION FEE	
COUNTY		COUNTY		STATE FEE \$ 19.00	
FILE NO.		FILE NO.		CLERK'S FEE \$ 1.00	
DATE RELEASED		DATE RELEASED		TOTAL FEES \$ 20.00	
SIGNATURE		SIGNATURE		DATE OF REGISTRATION 03-31-80	
SEAL		SEAL			
SPECIAL REMARKS		DEPARTMENT OF TRANSPORTATION TD96-181 REV. 7-79		COUNTY CLERK'S SIGNATURE <i>Lester King</i>	
				DEP. CLERK'S SEAL MCCREARY COUNTY	

OWNER COPY

EXHIBIT

D

3696733-A

Renewal

BL1 603

April 1, 1981

BL1 603

VEHICLE TYPE

PREVIOUS DECAL NO

PREVIOUS OWNER

CURRENT DECAL NO

Truck

6421500

8439525

1 OWNER (Last Name) (First) (Initial)

PREVIOUS STATE - TITLE NO.

MODEL NO

MAKE OF VEHICLE

YEAR

Kentucky & Tennessee Railway

55268

Willys

62

2 OWNER (Last Name) (First) (Initial)

MOTORCYCLE ENGINE NO.

NO. OF CYLINDERS

IDENTIFICATION (SERIAL) NUMBER

6

5526867166

OWNER'S ADDRESS (Street and House No.)

TRUCK GROSS WT.

ODOMETER READ.

COLOR

BODY STYLE

6,000

Green

P-UP

CITY (Post Office) (State) (Zip Code)

Stearns, K

EXEMPTION CERTIFICATE AND AFFIDAVIT OF VEHICLE USE KRS 186.050

OWNER'S SIGNATURE CITY OR TOWN

☐ FARM TRUCK☐ HOUSE CAR☐ LOG TRUCK☐ CHURCH BUS☐ WRECKER☐ URBAN LIMITS☐ COAL TRUCK☐ CONCRETE TRUCK☐ SCHOOL BUS☐ VEHICLE CARRIER

LIENHOLDER NAME

LIENHOLDER NAME

USAGE TAX

LIENHOLDER'S STREET ADDRESS

LIENHOLDER'S STREET ADDRESS

CITY STATE ZIP CODE

CITY STATE ZIP CODE

DATE FILED COUNTY FILE NO.

DATE FILED COUNTY FILE NO.

DATE RELEASED SIGNATURE SEAL

DATE RELEASED SIGNATURE SEAL

SPECIAL REMARKS

DEPARTMENT OF TRANSPORTATION
TD96-181 REV 7-79

COUNTY CLERK'S SIGNATURE

Lester King

DEP. CLERK'S SIGNATURE

MCCREARY
COUNTY

OWNER COPY

3698265-A

REGISTRATION TYPE

New

PREVIOUS REG. NO

New

CERTIFICATE EXPIRES

March 31, 1981

CURRENT REGISTRATION NO.

EVN 092

VEHICLE TYPE

Passenger Car

PREVIOUS DECAL NO

PREVIOUS OWNER

CURRENT DECAL NO.

McCreary Motors Inc 6801307

1 OWNER (Last Name) (First) (Initial)

PREVIOUS STATE - TITLE NO.

MODEL NO.

MAKE OF VEHICLE

YEAR

Kentucky & Tennessee Railway

65

Ford

80

2 OWNER (Last Name) (First) (Initial)

MOTORCYCLE ENGINE NO.

NO. OF CYLINDERS

IDENTIFICATION (SERIAL) NUMBER

Co.

OU65G 133 439

OWNER'S ADDRESS (Street and House No.)

TRUCK GROSS WT.

ODOMETER READ.

COLOR

BODY STYLE

White

4dr

CITY (Post Office) (State) (Zip Code)

Stearns, Ky

EXEMPTION CERTIFICATE AND AFFIDAVIT OF VEHICLE USE KRS 186.050

OWNER'S SIGNATURE CITY OR TOWN

☐ FARM TRUCK☐ HOUSE CAR☐ LOG TRUCK☐ CHURCH BUS☐ WRECKER☐ URBAN LIMITS☐ COAL TRUCK☐ CONCRETE TRUCK☐ SCHOOL BUS☐ VEHICLE CARRIER

LIENHOLDER NAME

LIENHOLDER NAME

USAGE TAX

LIENHOLDER'S STREET ADDRESS

LIENHOLDER'S STREET ADDRESS

CITY STATE ZIP CODE

CITY STATE ZIP CODE

DATE FILED COUNTY FILE NO.

DATE FILED COUNTY FILE NO.

DATE RELEASED SIGNATURE SEAL

DATE RELEASED SIGNATURE SEAL

SPECIAL REMARKS

DEPARTMENT OF TRANSPORTATION
TD96-181 REV. 7-79

COUNTY CLERK'S SIGNATURE

Lester King

DEP. CLERK'S SIGNATURE

MCCREARY
COUNTY

OWNER COPY

EXHIBIT

D

3696737-A

Renewal

2CL 044

April 1, 1981

2CE 434

VEHICLE TYPE

PREVIOUS DECAL NO.

PREVIOUS OWNER

CURRENT DECAL NO.

Truck

1 OWNER (Last Name) (First) (Initial)		PREVIOUS STATE - TITLE NO.		MODEL NO.	MAKE OF VEHICLE	YEAR
Kentucky & Tennessee Railway				CCE66	Chev	74
2 OWNER (Last Name) (First) (Initial)		MOTORCYCLE ENGINE NO.		NO. OF CYLINDERS	IDENTIFICATION (SERIAL) NUMBER	
				8	CCD67EV134172	
OWNER'S ADDRESS (Street and House No.)		TRUCK GROSS WT.	ODOMETER READ.	COLOR	BODY STYLE	
		26,000			C/C	
CITY (Post Office) (State) (Zip Code)		EXEMPTION CERTIFICATE AND AFFIDAVIT OF VEHICLE USE KRS 186.050				
Stearns, Ky		<input type="checkbox"/> FARM TRUCK <input type="checkbox"/> HOUSE CAR <input type="checkbox"/> LOG TRUCK <input type="checkbox"/> CHURCH BUS <input type="checkbox"/> WRECKER <input type="checkbox"/> URBAN LIMITS <input type="checkbox"/> COAL TRUCK <input type="checkbox"/> CONCRETE TRUCK <input type="checkbox"/> SCHOOL BUS <input type="checkbox"/> VEHICLE CARRIER				
OWNER'S SIGNATURE		CITY OR TOWN		USAGE TAX		
				TAXABLE VALUE \$		
LIENHOLDER NAME		LIENHOLDER NAME		5% TAX \$		
LIENHOLDER'S STREET ADDRESS		LIENHOLDER'S STREET ADDRESS		REGISTRATION FEE		
CITY STATE ZIP CODE		CITY STATE ZIP CODE		STATE FEE \$ 160.00		
DATE FILED COUNTY FILE NO.		DATE FILED COUNTY FILE NO.		CLERK'S FEE \$ 1.00		
DATE RELEASED SIGNATURE SEAL		DATE RELEASED SIGNATURE SEAL		TOTAL FEES \$ 161.00		
				DATE OF REGISTRATION		
				03-31-80		
SPECIAL REMARKS		DEP. CLERK'S INIT.		SEAL		
DEPARTMENT OF TRANSPORTATION TD96-181 REV. 7-79		COUNTY CLERK'S SIGNATURE		MOOREARY COUNTY		
		Lester King				

OWNER COPY

3696725-A

Renewal

BL1 602

April 1, 1981

CURRENT REGISTRATION NO. BL1 602

VEHICLE TYPE

PREVIOUS DECAL NO.

PREVIOUS OWNER

CURRENT DECAL NO.

Truck

1 OWNER (Last Name) (First) (Initial)		PREVIOUS STATE - TITLE NO.		MODEL NO.	MAKE OF VEHICLE	YEAR
Kentucky & Tennessee Railway				4WD	Willys	60
2 OWNER (Last Name) (First) (Initial)		MOTORCYCLE ENGINE NO.		NO. OF CYLINDERS	IDENTIFICATION (SERIAL) NUMBER	
					5526858698	
OWNER'S ADDRESS (Street and House No.)		TRUCK GROSS WT.	ODOMETER READ.	COLOR	BODY STYLE	
		6,000		Green	P-UP	
CITY (Post Office) (State) (Zip Code)		EXEMPTION CERTIFICATE AND AFFIDAVIT OF VEHICLE USE KRS 186.050				
Stearns, Ky		<input type="checkbox"/> FARM TRUCK <input type="checkbox"/> HOUSE CAR <input type="checkbox"/> LOG TRUCK <input type="checkbox"/> CHURCH BUS <input type="checkbox"/> WRECKER <input type="checkbox"/> URBAN LIMITS <input type="checkbox"/> COAL TRUCK <input type="checkbox"/> CONCRETE TRUCK <input type="checkbox"/> SCHOOL BUS <input type="checkbox"/> VEHICLE CARRIER				
OWNER'S SIGNATURE		CITY OR TOWN		USAGE TAX		
				TAXABLE VALUE \$		
LIENHOLDER NAME		LIENHOLDER NAME		5% TAX \$		
LIENHOLDER'S STREET ADDRESS		LIENHOLDER'S STREET ADDRESS		REGISTRATION FEE		
CITY STATE ZIP CODE		CITY STATE ZIP CODE		STATE FEE \$ 11.50		
DATE FILED COUNTY FILE NO.		DATE FILED COUNTY FILE NO.		CLERK'S FEE \$ 1.00		
DATE RELEASED SIGNATURE SEAL		DATE RELEASED SIGNATURE SEAL		TOTAL FEES \$ 12.50		
				DATE OF REGISTRATION		
				03-31-80		
SPECIAL REMARKS		DEP. CLERK'S INIT.		SEAL		
DEPARTMENT OF TRANSPORTATION TD96-181 REV. 7-79		COUNTY CLERK'S SIGNATURE		MOOREARY COUNTY		
		Lester King				

OWNER COPY

EXHIBIT D

CERTIFICATE OF TITLE AND REGISTRATION
COMMONWEALTH OF KENTUCKY

3696738-A		REGISTRATION TYPE Renewal	PREVIOUS REG. NO. 3CD 040	CERTIFICATE EXPIRES April 1, 1981	NO 3CB 716
VEHICLE TYPE Truck		PREVIOUS DECAL NO.	PREVIOUS OWNER		CURRENT DECAL NO.
1 OWNER (Last Name) (First) (Initial) Kentucky & Tennessee Railway		PREVIOUS STATE - TITLE NO.		MODEL NO. F950	MAKE OF VEHICLE Ford
2 OWNER (Last Name) (First) (Initial)		MOTORCYCLE ENGINE NO.		NO. OF CYLINDERS	IDENTIFICATION (SERIAL) NUMBER F95JU852204
OWNER'S ADDRESS (Street and House No.) Stearns, Ky		TRUCK GROSS WT. 62,000	ODOMETER READ.	COLOR	BODY STYLE Tractor
CITY (Post Office) (State) (Zip Code)		EXEMPTION CERTIFICATE AND AFFIDAVIT OF VEHICLE USE KRS 186.050			
OWNER'S SIGNATURE		<input type="checkbox"/> FARM TRUCK <input type="checkbox"/> HOUSE CAR <input type="checkbox"/> LOG TRUCK <input type="checkbox"/> CHURCH BUS <input type="checkbox"/> WRECKER <input type="checkbox"/> URBAN LIMITS <input type="checkbox"/> COAL TRUCK <input type="checkbox"/> CONCRETE TRUCK <input type="checkbox"/> SCHOOL BUS <input type="checkbox"/> VEHICLE CARRIER			
LIENHOLDER NAME		LIENHOLDER NAME		USAGE TAX	
LIENHOLDER'S STREET ADDRESS		LIENHOLDER'S STREET ADDRESS		TAXABLE VALUE \$	
CITY STATE ZIP CODE		CITY STATE ZIP CODE		5% TAX \$	
DATE FILED COUNTY FILE NO.		DATE FILED COUNTY FILE NO.		REGISTRATION FEE \$ 588.00	
DATE RELEASED SIGNATURE SEAL		DATE RELEASED SIGNATURE SEAL		STATE FEE \$ 1.00	
				CLERK'S FEE \$ 1.00	
				TOTAL FEES \$ 589.00	
				DATE OF REGISTRATION 03-31-80	
SPECIAL REMARKS		COUNTY CLERK'S SIGNATURE <i>Lester King</i>		DEP. CLERK'S INITIAL SEAL MC CREARY COUNTY	
DEPARTMENT OF TRANSPORTATION TD96-181 REV. 7-79					

OWNER COPY

CERTIFICATE OF TITLE AND REGISTRATION
COMMONWEALTH OF KENTUCKY

3696739-A		REGISTRATION TYPE Renewal	PREVIOUS REG. NO. 2GC 710	CERTIFICATE EXPIRES April 1, 1981	CURRENT REGISTRATION NO. 2GB 360
VEHICLE TYPE Truck		PREVIOUS DECAL NO.	PREVIOUS OWNER		CURRENT DECAL NO.
1 OWNER (Last Name) (First) (Initial) Kentucky & Tennessee Railway		PREVIOUS STATE - TITLE NO.		MODEL NO. F700	MAKE OF VEHICLE Ford
2 OWNER (Last Name) (First) (Initial)		MOTORCYCLE ENGINE NO.		NO. OF CYLINDERS	IDENTIFICATION (SERIAL) NUMBER F70DUE 44366
OWNER'S ADDRESS (Street and House No.) Stearns, K		TRUCK GROSS WT. 38,000	ODOMETER READ.	COLOR	BODY STYLE C/C
CITY (Post Office) (State) (Zip Code)		EXEMPTION CERTIFICATE AND AFFIDAVIT OF VEHICLE USE KRS 186.050			
OWNER'S SIGNATURE		<input type="checkbox"/> FARM TRUCK <input type="checkbox"/> HOUSE CAR <input type="checkbox"/> LOG TRUCK <input type="checkbox"/> CHURCH BUS <input type="checkbox"/> WRECKER <input type="checkbox"/> URBAN LIMITS <input type="checkbox"/> COAL TRUCK <input type="checkbox"/> CONCRETE TRUCK <input type="checkbox"/> SCHOOL BUS <input type="checkbox"/> VEHICLE CARRIER			
LIENHOLDER NAME		LIENHOLDER NAME		USAGE TAX	
LIENHOLDER'S STREET ADDRESS		LIENHOLDER'S STREET ADDRESS		TAXABLE VALUE \$	
CITY STATE ZIP CODE		CITY STATE ZIP CODE		5% TAX \$	
DATE FILED COUNTY FILE NO.		DATE FILED COUNTY FILE NO.		REGISTRATION FEE \$ 300.00	
DATE RELEASED SIGNATURE SEAL		DATE RELEASED SIGNATURE SEAL		STATE FEE \$ 1.00	
				CLERK'S FEE \$ 1.00	
				TOTAL FEES \$ 301.00	
				DATE OF REGISTRATION 03-31-80	
SPECIAL REMARKS		COUNTY CLERK'S SIGNATURE <i>Lester King</i>		DEP. CLERK'S INITIAL SEAL MC CREARY COUNTY	
DEPARTMENT OF TRANSPORTATION TD96-181 REV. 7-79					

OWNER COPY

EXHIBIT D

RM 7367

FAIRMONT RAILWAY MOTORS, INC.

Fairmont, Minn., U. S. A.

56031

INVOICE
COPY

CUSTOMER'S ORDER NO. 24		ORDER DATE 8-28-75		REQN. OR RELEASE NO.		OUR ORDER NO. 090725		INVOICE NO. 64395-S	
KENTUCKY & TENNESSEE RY. STEAMERS, KENTUCKY 42647						DATE ORDER ENTERED APR. 2 1975		INVOICE DATE 10-30-75 CS	
KENTUCKY & TENNESSEE RY. PURCHASING AGENT STEAMERS, KENTUCKY 42647						F. O. B. FMT		DATE SHIPPED 10-15-75	
TESTED ROUTING						PREPAID X		HOW SHIPPED PPD MURPHY	
						COLLECT		WAYBILL OR EXPRESS RECEIPT NO. 50-3715292	
						DISTRICT 2		CAR INITIALS & NO.	
								TERMS: NET 30 DAYS, A CASH DISCOUNT OF \$ 27.37 WILL BE ALLOWED IF PAID WITHIN 10 DAYS.	

QUANTITY BACK ORDERED	QUANTITY SHIPPED	AMOUNT	FAIRMONT CODE	UNIT PRICE	DESCRIPTION	ITEM RED
	1	4,390.00			FAIRMONT SERIES "F" HEAVY DUTY GANG CAR	1
	1	520.00			DOUBLE END CAB(APPLIED)	1
	1	85.65			WIDE SIDE CURTAINS(APPLIED)	1
	1	52.95			DOUBLE LIGHT GROUP(APPLIED)	1
	2	131.90			DOUBLE WIPER GROUP(APPLIED FRONT AND REAR)	2
	2	39.30			RAIL SWEEPS(APPLIED FRONT AND REAR)	2
	1	25.50			ELECTRIC HORN(APPLIED)	1
	1	35.95			FRONT DRAW BAR(APPLIED)	1
	1	176.80			FIXED SIDE STEPS(APPLIED)	1
	2	16.00			SAFETY COUPLER(PLACE IN TOOL BOX)	2
		5,473.45				
		5,473.45			PAINT FEDERAL YELLOW	
		408.50			CAR NO. 240547 ENG NO. 09075-2-S-	
		5,881.95				
					SHOW DESIGNATION A6-F-4	

EXHIBIT D

EXHIBIT E

(K&T Places of Business, Location of
Registered Offices during past 5 years)

Attached to that certain K&T Mortgage and Security Agreement executed on or around February 26, 1981, by and between the Kentucky and Tennessee Railway and Citizens Fidelity Bank and Trust Company d/b/a Citizens Fidelity Energy Company, and others.

1. McCreary County, Kentucky